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FISCAL IMPACT STATEMENT

LS 6873

BILL NUMBER: HB 1112

NOTE PREPARED: Dec 22, 2006

BILL AMENDED:

SUBJECT: Skills 2016 Training Program.

FIRST AUTHOR: Rep. Cheney

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill changes the expiration date of the Skills 2016 Training Program and Fund from December 31, 2008, to December 31, 2012.

Effective Date: July 1, 2007.

Explanation of State Expenditures: The bill would extend the Skills 2016 Training Program and Fund to December 31, 2012. The bill will result in continued state expenditures for the Skills 2016 Training Program from December 31, 2008, to December 31, 2012.

Background Information: For FY 2006 the fund received \$17,659,345 from the 0.09% assessment on the previous year's unemployment insurance taxable wages. The balance in the Skills 2016 Training Fund as of June 30, 2006, was approximately \$47.9 M. The Fund had expenditures of about \$7.8 M in FY 2005 and \$10.8 M in FY 2006.

The statutory purpose for the Skills 2016 Training Program is the following: (1) to improve manufacturing productivity levels in Indiana; (2) to enable firms to become competitive by making workers more productive through training; (3) to create a competitive economy by creating and retaining jobs; (4) to encourage the increased training necessary because of an aging workforce; and (5) to avoid potential payment of unemployment compensation by providing workers with enhanced job skills.

Explanation of State Revenues:

Explanation of Local Expenditures: The impact on small local units would be as an employer. (See

Explanation of State Revenues.)

Explanation of Local Revenues:

State Agencies Affected: Department of Workforce Development.

Local Agencies Affected: All.

Information Sources:

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